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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:)	
)	Chapter 11
CIRCUIT CITY STORES, INC.,)	
et al.,)	Case No. 08-35653-KRH
)	
Debtors.)	Jointly Administered
)	

**RESPONSE TO DEBTORS' THIRTY-FOURTH OMNIBUS OBJECTION TO
CLAIMS (MODIFICATION OF CERTAIN DUPLICATE 503(b)(9) CLAIMS)**

DIRECTV, Inc. (“DIRECTV”) responds to Debtors’ Thirty-Fourth Omnibus Objection to Claims (Modification of Certain Duplicate 503(b)(9) Claims) [Docket No. 4598] (the “Objection”), as same pertains to the claims filed by DIRECTV: claim number 7963, filed as secured in the amount of \$405,000 (the “DIRECTV Secured Claim”) and unsecured in the amount of \$83,075 (the “DIRECTV Unsecured Claim”); and claim number 1237, filed as a 503(b)(9) claim in the amount of \$148,375 (the “DIRECTV 503(b)(9) Claim”), as follows:

On February 11, 2009, DIRECTV filed its Motion for Relief from Stay Re: \$405,000 for prepetition invoices asserting certain setoff rights in the amount of \$405,000 [Docket No. 2082] (the “Motion”). DIRECTV and the Debtors have substantially agreed upon a resolution of the issues raised in the Motion and certain related matters, the documentation of which is currently pending (the “Stipulation”). To the extent, however, the parties are unable to finalize the

Stipulation or the Stipulation is not ultimately approved, DIRECTV objects to Debtors' method of reducing DIRECTV's Secured Claim by the amount of the DIRECTV 503(b)(9) Claim.

To DIRECTV's knowledge, the 503(b)(9) Claim has not yet been approved as an allowed administrative expense claim pursuant to 11 U.S.C. § 503(b)(9) by the Court. Unless and until the 503(b)(9) Claim is approved by the Court, there is no duplication of claims and, correspondingly, no claims should be reduced as has been proposed in Debtors' Objection.

Further, as the Secured Claim is in fact secured by DIRECTV's right of setoff, it is nonsensical that the DIRECTV Secured Claim be reduced by the amount of the DIRECTV 503(b)(9) Claim, as proposed in Debtors' Objection, as this would effectively impair DIRECTV's setoff right by the amount of the 503(b)(9) Claim. The Secured Claim must remain intact in the amount of \$405,000 in order to preserve DIRECTV's setoff right in the equivalent amount. Therefore, to the extent of any duplication among the DIRECTV claims after allowance of the DIRECTV 503(b)(9) Claim, it is only appropriate that the DIRECTV Unsecured Claim be reduced on account of the DIRECTV 503(b)(9) Claim and, once such claim is fully reduced, the DIRECTV 503(b)(9) claim be reduced to the extent of any remaining duplication. The result of the foregoing would be an adjustment of the DIRECTV claims as follows: DIRECTV's Secured Claim would remain \$405,000; DIRECTV's Unsecured Claim would be reduced to \$0; and DIRECTV's 503(b)(9) claim would be reduced to \$83,075.

ACCORDINGLY, no modification of the DIRECTV claims should take place unless and until the DIRECTV 503(b)(9) claim is approved as an allowed administrative expense claim pursuant to 11 U.S.C. § 503(b)(9) by the Court, and any modification of the DIRECTV claims to account for duplication should be consistent with the methodology set forth in this Response.

DIRECTV, INC.

/s/ W. Alexander Burnett

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing Response to Debtors' Thirty-Fourth Omnibus Objection to Claims (Modification of Certain Duplicate 503(b)(9) Claims) filed by DIRECTV, Inc. was served this 18th day of September, 2009, on all necessary parties electronically by ECF and by e-mail and first class mail, postage prepaid, upon:

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